

August 5, 1963.

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FEDERAL RESERVE BANK  
OF RICHMOND

CAPITAL MARKET DEVELOPMENTS  
IN THE UNITED STATES

(Including Review of Capital Markets in July)

Public security financing this week is expected to be fairly substantial. Last week, ending August 2, large new capital issues sold totaled only \$81 million, comprised of one corporate, one State government, and one foreign issue; in addition, however, two large refunding offerings were made. This week, ending August 9, three State and local government offerings with aggregate par value of \$150 million are on the calendar and three large corporate issues (including an expiring rights offer) with gross proceeds of \$93 million are scheduled; all are to raise new capital.

Bond yields. Seasoned, long-term bond yields either declined slightly or did not change last week. Yields on Aaa-rated State and local government bonds dropped two basis points to 3.08 per cent, while long-term Government yields declined one basis point to 3.99 per cent. Rates on corporate and lower-grade municipal securities were stable.

New corporate bond yields, adjusted to an Aaa basis, averaged 4.28 per cent last week, three basis points less than a week earlier and slightly below the top of the range that has prevailed since early this year.

Short- and intermediate-term rates. Changes in short- and intermediate-term rates were mixed last week. Yields on 3-month Treasury bills rose five basis points to 3.24 per cent, while those on 6-month bills rose 2 basis points to 3.38 per cent; these averages are the highest since the summer of 1960. Rates on 3-5 year Government obligations, however, declined two basis points. The average effective rate on Federal funds rose sharply (105 basis points) to the 3.50 per cent discount rate ceiling. Other rates were unchanged.

FNMA secondary market operations. Sales by the Federal National Mortgage Association in June dropped to \$61.3 million. This was down by more than \$100 million from the record plateau of the three preceding months and also well below the February level, but it was still appreciably above purchases.

At \$20.7 million, purchases by FNMA in June were little changed from their moderately improved May level. Offerings, at \$21.2 million, also remained near their May level.

Stock prices. Common stock prices recovered somewhat further last week. Prices, as measured by Standard & Poor's composite stock index, rose 1 per cent to close at 69.30 on Friday, a level about mid-way between

the July high and low. Trading volume continued light averaging 3.3 million shares per day.

Estimated August security volume. The volume of new capital security financing is expected to continue relatively light in August, reflecting usual seasonal influences, although municipal bond sales will be larger than last month.

Corporate security financing to obtain new capital is estimated at \$700 million this month, the same as the revised July total and only slightly less than last August. Large issues currently scheduled for public offering total \$221 million.

New capital bond sales by State and local governments in August are expected to aggregate \$150 million one-fifth more than both the revised July estimate and a year earlier. Large offerings on the calendar for August sale total \$329 million.

Capital markets in July. New security financing in July was relatively light, as is usual in the summer. Bond markets, however, were under considerable pressure early in the month--primarily because of uncertainty concerning prospective changes in monetary policy--and bond yields rose moderately. The mid-month announcement of the increase in the discount rate from 3 to 3-1/2 per cent and of other governmental policies designed to reduce the balance of payments deficit removed this uncertainty; subsequently, dealers made substantial reductions in their inventories of unsold securities and yields on most types of bonds declined somewhat.

New capital security financing by corporations totaled \$700 million in July, 36 per cent less than the seasonally large June total, but one-fifth more than a year earlier. Large security issues sold publicly last month totaled \$221 million (comprised of \$180 million of non-convertible bonds and \$41 million of common stock) compared with \$348 million in June and \$165 million last July; in addition, one \$30 million bond issue was sold for refunding purposes.

Distribution of most new public offerings continued rather slow throughout the month. Unsold syndicate balances, however, remained moderate, since price agreements on some balances carried over from June and earlier were terminated during the first half of the month and these bonds were distributed at yields moderately higher than those at initial offering.

Yields on seasoned Aaa-rated corporate bonds rose six basis points during July to 4.29 per cent, the highest level since last fall; all of the increase occurred before the announcement of the discount rate change. Yields on new corporate issues, adjusted to an Aaa basis, also rose in the early weeks of the month to 4.31 per cent, six basis points above the late June level and the top of the range that has prevailed since the

first of the year. Late in the month, however, new issue yields declined slightly to 4.28 per cent.

New capital bond sales by State and local governments totaling \$550 million in July, 35 per cent less than in June and 10 per cent less than a year earlier. Large issues totaled \$280 million compared with \$472 million in June and \$321 million in July a year ago. In addition, a large (\$197 million) advance refunding issue was sold by Public Utility District #2 of Grant County, Washington; proceeds from this issue will be used to retire high coupon bonds originally sold in 1959 when they become callable in 1970, but in the interim will be invested in U. S. Government securities (principally the 4 per cent bonds of 1970).

Yields on Aaa-rated municipal bonds, which had increased sharply in June, rose slightly further early in July to 3.11 per cent, the highest level since late last summer. After mid-month, however, yields dropped three basis points to 3.08 per cent (the recent decline has been even sharper for some other more volatile yield series).

Retail distribution of new State and local offerings continued at the improved pace begun late in June after most of the recent yield increase had taken place. Moreover, following the increase in the discount rate and the concurrent change in Regulation Q permitting commercial banks to increase rates on certain types of time deposits, underwriters were able to make substantial reductions in their large inventory of unsold securities carried over from earlier months. As a result, advertised inventory declined \$125 million to \$515 million, the lowest level since mid-March.

Common stock prices fluctuated widely during July in moderate trading, but changed little on balance. Prices rose fairly sharply early in the month, then declined steadily to the lowest level since early April before recovering late in the month. Standard & Poor's composite price index at the close was 69.13, only slightly below the end of June level, but 5 per cent below the December 1961 peak. Trading volume averaged 3.5 million shares a day, 1.0 million shares less than in June and the smallest monthly average since last October.

More detailed information concerning recent capital market developments is presented in the attached exhibits.

Capital Markets Section,  
Division of Research and Statistics,  
Board of Governors of the Federal Reserve System.

## LONG-TERM BOND YIELDS, HIGH-GRADE

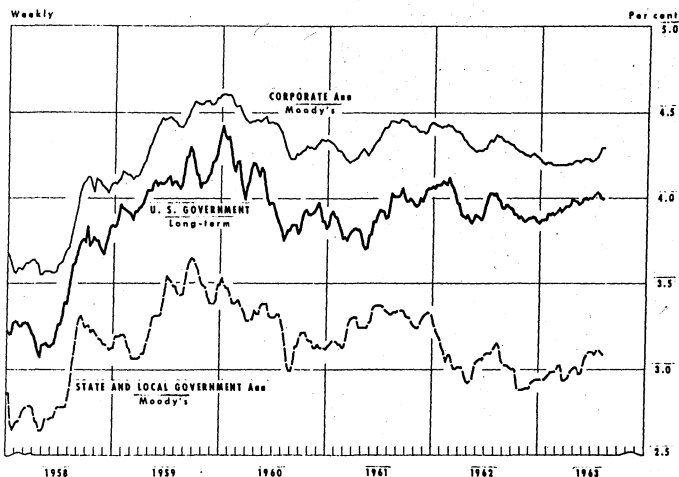


Exhibit A - Part II

Date	Corporate Aaa <u>1/</u>	U. S. Govt. long-term <u>2/</u>	State and local government Aaa <u>3/</u>	Spread between U. S. Govt. and	
				Corporate Aaa	State and local Aaa
(per cent)					
1958 - Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
1959-60 - High	4.61 (1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59	.92
1960-61 Low	4.21 (3/17/61)	3.70 (5/12/61)	2.99 (9/1/60)	.19	.46
1961 - High	4.46 (9/15)	4.07 (12/29)	3.37 (7/6)	.57	.76
1962 - Low	4.23 (12/28)	3.85 (12/28)	2.88 (11/8)	.30	.80
1963 - High	4.29 (8/2)	4.03 (7/12)	3.11 (7/18)	.35	1.02
Low	4.19 (3/29)	3.87 (1/18)	2.93 (3/28)	.21	.90
July 5	4.23	4.02	3.08	.21	.94
July 12	4.24	4.03	3.11	.21	.92
July 19	4.27	4.02	3.11	.25	.91
July 26	4.29	4.00	3.10	.29	.90
August 2 p/	4.29 ✓	3.99	3.08	.30	.91

p/ Preliminary.

1/ Weekly average of daily figures. Average term of bonds included is 22-24 years.

2/ Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.

3/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

Note.—Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

## LONG-TERM BOND YIELDS, LOWER-GRADE

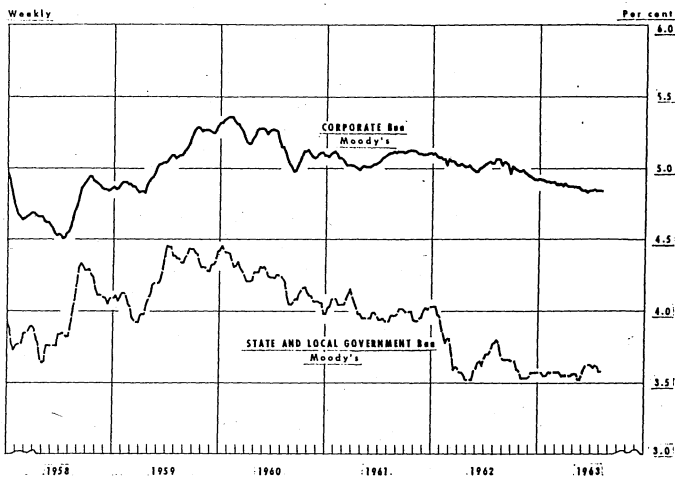


Exhibit B - Part II

Date	Corporate Baa <u>1</u> /	State and local govt. Baa <u>3</u> /	Spread between Aaa and Baa	
			Corporate	State and local govt.
			(per cent)	
1958 - Low	4.51 (7/11)	3.64 (5/1)	.77	.93
1959-60 - High	5.36 (2/12/60)	4.46 (1/7/60)	.84	1.08
1960-61 Low	4.98 (9/9/60)	3.93 (11/9/61)	.66	.57
1961 - High	5.13 (10/27)	4.16 (3/23)	.81	.93
1962 - Low	4.92 (12/21)	3.52 (5/17)	.63	.56
1963 - High	4.93 (1/4)	3.63 (6/27)	.71	.63
Low	4.83 (6/14)	3.52 (5/23)	.55	.47
July 5	4.85	3.60	.62	.52
July 12	4.84	3.62	.60	.51
July 19	4.84	3.61	.57	.50
July 26	4.84	3.57	.55	.47
Aug. 2 <u>p</u> /	4.84	3.57	.55	.49

Note: For footnotes see Exhibit A.

## SHORT- AND INTERMEDIATE- TERM INTEREST RATES, GOVERNMENT

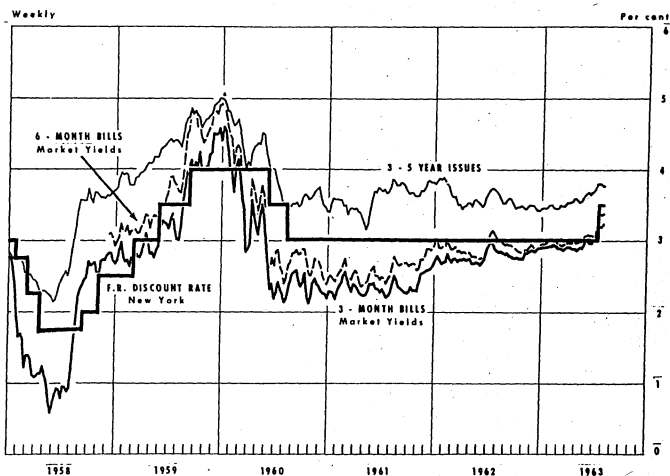


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3- month bills and yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	6-mo. bills	3-5 yr. issues
		(per cent)				
1958 - Low	1.75	.58 (5/29)	3.02 (12/26)	2.14 (6/6)	.26	.04
1959-60 High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1960-61 Low	3.00	2.11 (10/28/60)	2.35 (4/28/61)	3.15 (5/12/61)	.12	.38
1961-62 High	3.00	2.97 (7/13/62)	3.13 (7/20/62)	3.88 (2/2/62)	.44	1.51
1962 - Low	3.00	2.65 (6/8)	2.74 (6/8)	3.41 (12/28)	.02	.52
1963 - High	3.50	3.24 (8/2)	3.38 (8/2)	3.80 (7/19)	.17	.70
Low	3.00	2.88 (3/15)	2.93 (3/8)	3.44 (1/18)	.04	.52
July 5	3.00	3.03	3.12	3.72	.09	.69
July 12	3.00	3.22	3.34	3.80	.12	.58
July 19	3.50	3.19	3.36	3.80	.17	.61
July 26	3.50	3.19	3.36	3.79	.17	.60
Aug. 2 p/	3.50	3.24/	3.38	3.77	.14	.53

1/ Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.

2/ Market yield; weekly averages computed from daily closing bid prices. Series of 3-5 year issues consists of selected notes and bonds.

Note.—Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

# SHORT- AND INTERMEDIATE- TERM INTEREST RATES, BANKS AND OTHER PRIVATE BORROWERS

Weekly

Per cent

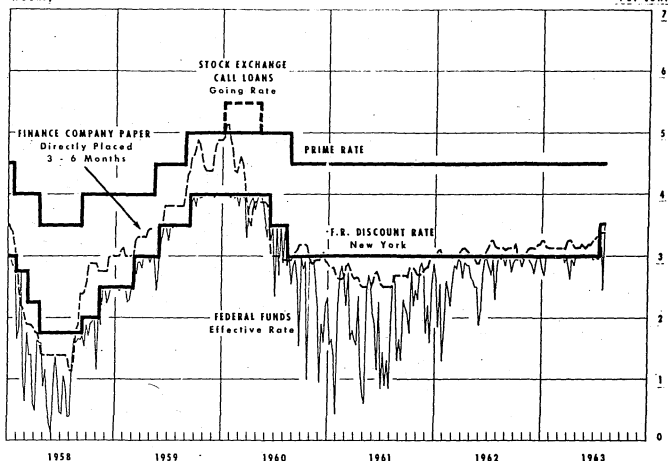


Exhibit D - Part II

Date	Stock Exchange call loan <u>1/</u>	Prime rate <u>1/</u>	Finance company paper <u>2/</u>	Federal funds <u>3/</u>	Spread between 3-mo. bills and finance co. paper
	(per cent)				
1958 - Low	3.50	3.50	1.13 (8/8)	.13 (5/29)	-.35
1959-60 - High	5.50	5.00	5.13 (1/22/60)	4.00 (5/13/60)	1.02
1960-61 Low	4.50	4.50	2.50 (8/5/61)	.43 (1/27/61)	.11
1961-62 - High	4.50	4.50	3.25 (7/20/62)	3.00 (12/28/62)	.56
1962 - Low	4.50	4.50	2.88 (6/1)	1.30 (1/26)	.19
1963 - High	4.50	4.50	3.38 (8/2)	3.50 (8/2)	.36
Low	4.50	4.50	3.13 (5/31)	2.45 (7/26)	.09
July 5	4.50	4.50	3.30	3.00	.27
July 12	4.50	4.50	3.34	2.97	.12
July 19	4.50	4.50	3.38	3.15	.19
July 26	4.50	4.50	3.38	2.45	.19
Aug. 2 p/	4.50	4.50	3.38	3.50	.14

1/ Weekly rate shown is that in effect at end of period. Stock Exchange call loan rate is going rate on call loans secured by customers' stock exchange collateral at New York City banks. Prime rate is that charged by large banks on short-term loans to business borrowers of the highest credit standing.

2/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

3/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchase and sale transactions as reported to the Federal Reserve Bank of New York.

Note. — Highs and lows are for individual series and may be on different dates for different series.

For spreads, high refers to widest, and low to narrowest.

## STOCK MARKET

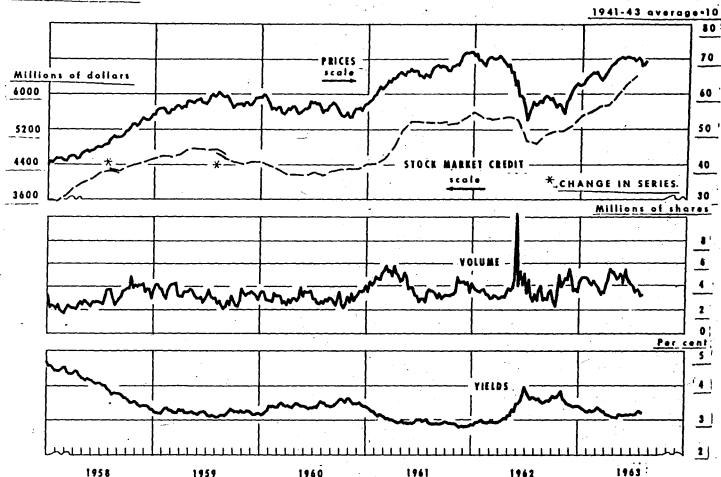


Exhibit E - Part II

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' debit bal- ances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1961-62 - High	72.04 (12/8/61)	2.82	10.1	5,602(12/61)	4,259 (12/61)	1,377(8/30/61)
Low	52.68 (6/22/62)	3.96	2.4	4,876(7/62)	3,562 (7/62)	1,269(9/26/62)
1963 - High	70.80(5/31)	3.13	5.5	6,420(6/63)	4,898 (6/63)	1,620 (7/24)
Low	64.10(3/1)	3.36	3.2	5,595(1/63)	4,208 (1/63)	1,378 (2/23)
June	70.11	3.16	4.5	6,420	4,898	1,522
July	69.07	3.20	3.5	n.a.	n.a.	1,620
July 19	68.35	3.25	3.5	n.a.	n.a.	1,524
July 26	68.54	3.24	3.2	n.a.	n.a.	1,620
Aug. 2 p/	69.30	3.20	3.3	n.a.	n.a.	n.a.

n.a.—Not available. p/ Preliminary.

1/ Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43-10. Monthly data are averages of daily figures rather than of Friday's only. Highs and lows are for Friday's data only.

2/ Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve. Yields shown are for dates on which price index reached its high or low.

3/ Averages of daily trading volume on the New York Stock Exchange.

4/ End of month figures for member firms of the New York Stock Exchange which carry margin accounts; excludes balances secured by U. S. Government obligations.

5/ Wednesday figures for weekly reporting member banks. Excludes loans for purchasing or carrying U. S. Government securities. Prior to July 1, 1959, such loans are excluded only at banks in New York and Chicago. Weekly reporting banks account for about 70 per cent of loans to others.

For further detail see Bulletin.



FEDERAL NATIONAL MORTGAGE ASSOCIATION <sup>1/</sup>

## SECONDARY MARKET OPERATIONS

Monthly

Millions of dollars

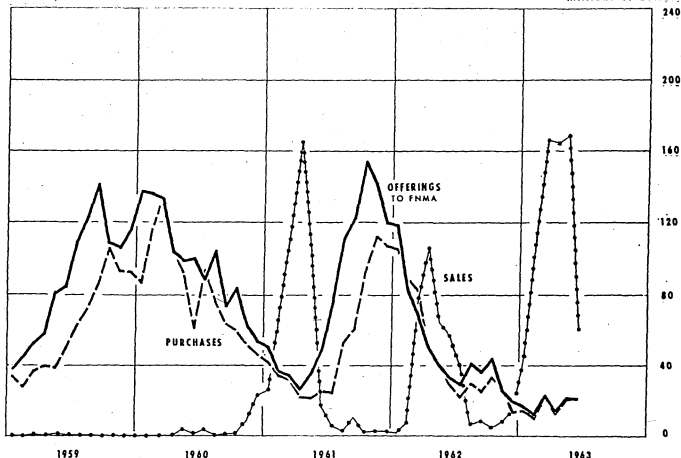


Exhibit F - Part II

Date	Estimated offerings to FNMA			Purchases by FNMA	Sales by FNMA
	Total	Immediate purchase	Standby commitment		
	(In millions of dollars)				
1962 - June	33.0	31.7	1.3	29.0	56.3
July	29.0	27.9	1.1	21.9	38.5
Aug.	40.8	39.2	1.0	29.6	6.3
Sept.	35.9	35.2	.7	25.0	8.4
Oct.	43.5	42.7	.8	33.1	4.5
Nov.	25.7	24.6	1.2	26.6	8.1
Dec.	19.7	19.3	.4	13.5	14.4
1963 - Jan.	16.8	16.5	.2	14.3	45.3
Feb.	12.5	12.4	.1	10.1	107.7
Mar.	23.1	22.6	.5	21.9	166.4
Apr.	14.1	13.5	.6	12.3	165.2
May	21.9	21.8	.1	19.9	169.4
June <sup>2/</sup>	21.2	20.7	.5	20.7	61.3

\*—Less than \$50,000.

<sup>1/</sup> Data represent unpaid principal balances of the mortgages involved, exclusive of premiums, discounts, or other charges. Offerings are amounts of applications received during the period from sellers proposing that FNMA execute purchasing contracts. An immediate purchase contract covers existing mortgages which the seller must deliver to FNMA within 45 days. A standby commitment contract relates to proposed mortgages on housing not yet under construction which the seller must usually deliver within one year. Purchases include those under both immediate purchases and standby commitment contracts. Data exclude FNMA activity under Special Assistance and Management and Liquidating Programs.

## YIELDS ON NEW AND SEASONED CORPORATE BONDS

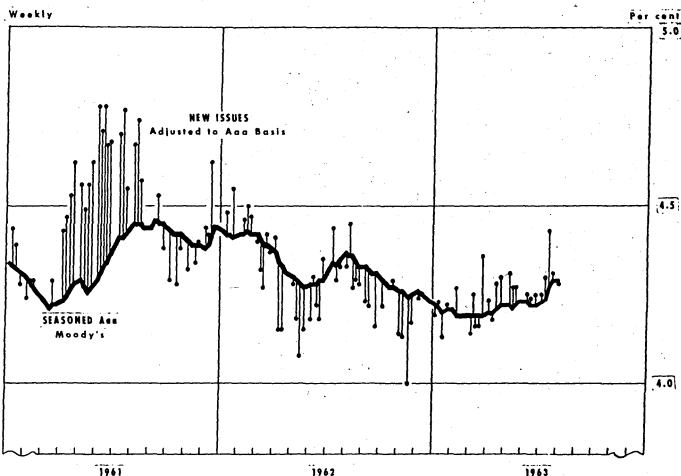


Exhibit G - Part II

## Yields on New Corporate Bond Issues Adjusted to an Aaa basis

		Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)			Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)
<b>Weekly averages:</b>									
1963 - Feb:	1	1	25.0	4.21	May	3	1	25.0	4.22
	8	2	64.0	4.27*		10	2	266.0	4.31*
	15	--	--	--		17	1	30.0	4.27
	22	4	100.0	4.19		24	3	76.0	4.27
Mar.	1	1	12.0	4.14	June	31	--	--	--
	8	2	55.0	4.25*		7	1	50.0	4.23*
	15	2	24.4	4.16		14	3	34.0	4.25
	22	3	87.0	4.16		21	2	115.0	4.24
Apr.	29	2	222.0	4.36*	July	28	2	46.5	4.25
	5	2	45.0	4.23		5	--	--	--
	12	1	6.0	4.18		12	2	80.0	4.30*
	19	3	95.0	4.28		19	1	25.0	4.43*
	26	3	128.0	4.30		26	3	58.0	4.31
						Aug. 3	1	70.0	4.28

Note: Averages of offering yields on all new issues of publicly offered corporate bonds rated Aaa, Aa and A by Moody's Investors Service (except serial and convertible issues, offerings of natural gas pipeline and foreign companies, and bonds guaranteed by the Federal Government) weighted by size of offering. Before averaging, new offerings are adjusted to a composite Aaa basis by deducting from the actual reoffering yield the excess of the weekly average yield for seasoned bonds of the appropriate industry-quality group over the composite average for seasoned Aaa-rated bonds (Moody's). Averages considered unrepresentative because of special characteristics of the offerings included are denoted by an asterisk.

Long-term Corporate and State and Local Government  
Security Offerings and Placements

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1963	1962	1961	1963	1962	1961
January	613	592	580	p/732	876	711
February	594	859	667	p/726	1,133	689
March	1,144	807	562	p/973	628	764
April	p/915	1,113	2,118	p/846	873	722
May	p/924	760	1,259	e/850	912	640
June	e/1,100	1,132	1,318	e/850	786	1,034
July	e/500	582	1,028	e/500	612	486
August	e/500	749	762	e/500	544	604
September		579	647		427	734
October		835	1,090		650	679
November		703	948		578	789
December		1,103	1,000		550	610
1st quarter	2,351	2,258	1,809	p/2,431	2,637	2,165
2nd quarter	e/2,939	3,005	4,695	e/2,546	2,571	2,396
3rd quarter		1,910	2,437		1,582	1,824
4th quarter		2,641	3,038		1,779	2,078
1st half	e/5,290	5,264	6,504	e/4,977	5,208	4,561
Three quarters		7,173	8,941		6,790	6,385
Year		9,814	11,979		8,568	8,463
Excluding finance companies 3/						
1st quarter	2,284	2,199	1,554			
2nd quarter	e/2,639	2,919	4,552			
3rd quarter		1,775	2,337			
4th quarter		2,410	2,807			
Year		9,303	11,253			

- e/ Estimated by Federal Reserve.      p/ Preliminary.  
 1/ Securities and Exchange Commission estimates of net proceeds.  
 2/ Investment Bankers Association of America estimates of principal amounts.  
 3/ Total new capital issues excluding offerings of sales and consumer finance companies.

New Corporate Security Issues, Type of Issue and Issuer  
(In millions of dollars)

Quarter or month	Gross proceeds for new capital and refunding 1/					Net proceeds for new capital 1/ 2/			
	Total	Bonds		Common and pfd. stock	Memo: foreign issues included	Mfg.	Public util- ity	Communi- cations	Other issuers
		Publicly offered	Privately offered						
1960 - IV	2,832	1,462	955	416	17	625	696	381	997
1961 - I	1,992	662	880	449	76	515	381	81	832
II	5,352	2,303	1,275	1,774	155	1,466	1,081	1,095	1,052
III	2,566	772	1,139	654	69	935	595	104	803
IV	3,236	967	1,424	845	62	792	836	147	1,263
1962 - I	2,378	1,155	716	507	68	655	430	456	717
II	3,250	1,389	1,222	639	257	996	983	231	794
III	2,184	853	1,024	307	56	601	375	275	659
IV	2,957	1,089	1,568	300	179	769	568	321	986
1963 - I	2,700	1,108	1,306	287	128	947	326	236	842
II e/ III	3,750	1,385	1,986	378	n.a.	714	796	181	1,248
1961 - Oct.	1,155	336	509	310	25	271	306	25	487
Nov.	987	414	348	225	12	215	362	80	291
Dec.	1,094	217	567	310	25	306	168	42	485
1962 - Jan.	647	273	232	143	3	205	89	73	225
Feb.	884	497	232	155	12	131	148	362	218
Mar.	847	386	253	209	54	318	193	21	275
Apr.	1,217	654	227	336	10	384	377	88	264
May	801	247	420	134	147	270	196	64	229
June	1,232	488	575	169	100	342	410	79	301
July	630	200	366	67	13	217	118	88	159
Aug.	922	477	363	82	--	218	110	120	301
Sept.	632	176	295	161	43	166	148	67	199
Oct.	976	539	314	123	46	153	141	260	282
Nov.	784	286	446	52	34	271	175	4	253
Dec.	1,197	264	808	125	99	345	252	57	451
1963 - Jan.	695	350	243	102	25	135	114	125	238
Feb.	642	259	289	94	43	220	115	68	191
Mar.	1,363	499	774	91	60	592	97	43	412
Apr. p/	1,067	380	468	218	59	155	363	72	325
May p/	1,363	550	718	95	183	234	233	84	373
June e/ July	1,320	455	800	65	n.a.	325	200	25	550
Aug. Sept.									

p/ Preliminary. e/ Estimated by Federal Reserve. 1/ Gross proceeds exceed net proceeds by the cost of flotation. 2/ For total see Exhibit H; other issuers are extractive, railroad and other transportation, real estate and finance and commercial and other. Source.--Securities and Exchange Commission.

## Exhibit J

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Other Security Offerings  
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1963	1962	1961	1963	1962	1961
January	232	142	6	--	246	--
February	133	10	29	148	156	--
March	76	35	20	--	--	252
April	p/ 57	10	2	p/186	461	100
May	p/114	86	66	p/ --	--	149
June	e/ 10	50	29	e/460	--	238
July		25	5		--	--
August		8	2		150	250
September		31	--		175	193
October		151	43		--	--
November		88	34		--	225
December		101	--		--	--
Year		737	236		1,188	1,448
Jan.-June	e/622	333	152	e/794	863	779
	Net Short-term 4/					
	State and local government 5/			Federal agency 3/		
January	75	18	160	-106	247	-144
February	272	466	195	-189	-156	-162
March	-367	-186	-8	-482	226	-174
April	589	127	-103	292	-364	-79
May	p/-151	-84	-42	p/380	82	-87
June	n.a.	-118	-155	p/275	284	207
July		78	109		261	22
August		339	518		227	193
September		-406	-86		-157	108
October		71	-6		379	98
November		254	54		55	56
December		-161	-116		-80	-114
Year		378	520		1,004	-76
Jan.-June	n.a.	223	47	170	319	-439

p/ Preliminary. e/ Estimated by Federal Reserve. n.a.--Not available.

1/ These data differ from those in Exhibit H in that refunding issues, as well as new capital issues are included. Long-term securities are defined as those maturing in more than one year.

2/ Includes securities offered in the United States by foreign governments and their political subdivisions and international organizations. Source: Securities and Exchange Commission.

3/ Issues not guaranteed by the U. S. Government. Source: long-term, Securities and Exchange Commission; short-term, Treasury Department and Federal Reserve.

4/ These data differ from those in Exhibit H and above in that they represent new offerings less retirements, whether from the proceeds of refunding issues or from other funds. Data include only issues with original maturity of one year or less. 5/ Principally tax and bond anticipation notes, warrants or certificates and Public Housing Authority notes. In some instances PHA notes included may have a somewhat longer maturity than one year. Source: Bond Buyer and Federal Reserve.

Large Long-term Public Security Issues for New Capital  
(Other than U. S. Treasury) 1/

Proceeds of Large Issues Offered  
(In millions of dollars)

Month	Corporate				State and local government	Other <u>2</u> /
	Total	Bonds (Other than convertibles)	Convertible bonds	Stocks		
1962 - July	165	135	--	30	321	20
August	286	226	60	--	272	--
September	191	100	--	91	153	194
October	434	398	--	36	320	25
November	178	178	--	--	217	--
December	198	178	20	--	193	75
1963 - January	234	215	--	19	344	48
February	186	125	35	26	367	63
March	394	372	--	22	570	--
April	409	263	--	146	431	134
May	149	149	--	--	489	43
June	348	348	--	--	472	460
July	221	180	--	41	279	60

Large Individual Issues Offered July 1 through August 2

Issuer	Type <u>3</u> /	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<b>CORPORATE</b>						
*Pacific Northwest Bell Tel. Co.	Com. stk.	20.0				
Northern Natural Gas Co.	S.F. deb.	30.0	1983	4-3/8	4.40	A
Illinois Bell Tel. Co.	1st mtg. bds.	50.0	2003	4-3/8	4.36	Aaa
Hitachi, Ltd.	Com. stk.	20.9				
Burroughs Corp.	Deb.	25.0	1988	4-1/2	4.53	A
Eaton Mfg. Co.	Deb.	25.0	1988	4-3/8	4.40	A
Northern Ill. Gas Co.	1st mtg. bds.	20.0	1988	4-3/8	4.35	Aa
Pacific Power & Light Co.	1st mtg. bds.	30.0	1993	4-5/8	4.56	Baa
<b>STATE AND LOCAL GOVT.</b>						
New York State Dormitory Auth.	Rev.-Rent	22.5	1965-95	3.38	2.00-3.50 <sup>4</sup> /	A
Memphis, Tennessee	G.O.	10.0	1964-88	3.03	1.75-3.25 <sup>4</sup> /	A
Penna. Gen. State Authority	Rev.-Rent	50.0	1966-90	3.32	2.10-3.50	--
Racine Sturtevant etc. Unif.						
S.D. #1, Wisconsin	G.O.	10.6	1964-83	3.05	1.75-3.25	A
Univ. System Bldg. Auth. of Ga.	Rev.-Rent	20.0	1964-89	3.39	1.85-3.50	A
State of Connecticut	G.O.	49.0	1964-83	2.85	1.80-3.05	Aaa
Dallas, Tex.	Rev.-Ut.	13.8	1964-83	2.96	2.75-3.10 <sup>6</sup> /	Aaa
New York City, N.Y.	G.O.	103.0	1964-83	2.94	2.94-3.30	A
State of New Hampshire	G.O.	23.4	1964-93	2.74	1.70-3.15	Aaa
<b>OTHER</b>						
Milan, Italy	Bonds	20.0	1978	5-1/2	5.63	--
United Mexican States	Bonds	15.0	1966-68	6	6.00	--
" " "	S.F. bds.	25.0	1978	6-3/4	7.00	--
Nippon Tel. & Tel. Public Corp.	Bonds	20.0	1978	5-3/4	6.08	--

## Footnotes

\*--Rights offering.

n.a.--Not available.

- 1/ Includes corporate and other security offerings of \$15 million and over; State and local government security offerings of \$10 million and over.
- 2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues by Federal agencies.
- 3/ In the case of State and local government securities, G.O. denotes general obligations; Rev.-Ut., revenue obligations secured only by income from public utilities; Rev.-Q.Ut., revenue bonds secured only by revenue from quasi-utilities; Rev.-S.T., revenue bonds secured by revenue from specific taxes only; Rev.-Rent., revenue bonds secured solely by lease payments.
- 4/ 1/10 per cent bonds maturing 1993-95 reoffered to yield 4.40 per cent.
- 5/ 1/10 per cent bonds maturing 1987-88 reoffered to yield 4.30 per cent.
- 6/ Bonds due 1964-73 not publicly reoffered.

**Forthcoming Large Long-term Public Security Offerings for New Capital**  
(Other than U. S. Treasury) 1/

**Expected Proceeds from Forthcoming Large Issues**

Date of computation	During month following date shown			Subsequent to date shown		
	Corporate	State and local govt.	Other 2/	Corporate	State and local govt.	Other 2/
1962 - July 31	302	273	--	477	427	--
Aug. 31	170	61	175	312	215	175
Sept. 28	363	187	--	546	387	--
Oct. 31	203	96	--	328	243	--
Nov. 30	170	194	75	360	328	75
Dec. 28	269	177	25	314	311	25
1963 - Jan. 31	167	376	--	412	843	33
Feb. 28	142	458	--	572	755	--
Mar. 29	376	381	45	421	763	45
Apr. 30	149	447	40	234	599	40
May 31	223	255	460	288	582	460
June 28	170	142	75	215	287	75
July 31	221	329	20	267	512	20

**Forthcoming Large Offerings, as of August 2**

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<b><u>CORPORATE</u></b>			
Burroughs Corp.	Com. stk.	17.6	August 5 (rts. ex.)
Minneapolis Honeywell Reg. Co.	S.F. deb.	30.0	August 7
Indiana & Michigan Elec. Co.	1st mtg. bds.	45.0	August 7
Commercial Credit Co.	Notes	50.0	August 14
United Aircraft Corp.	Deb.	42.9	August 20 (rts. ex.)
Lone Star Gas Co.	Deb.	35.0	August 28
*Northern States Power Co.	1st mtg. bds.	15.0	September 19
New England Tel. & Tel. Co.	Com. stk.	31.0	September (rts. ex.)
<b><u>STATE AND LOCAL GOVERNMENT</u></b>			
Phoenix, Arizona	Rev.-Ut.	12.0	August 6
State of California	G.O.	100.0	August 7
New York City Transit Auth.	Rev.-Q.Ut.	38.0	August 7



## Forthcoming Large Offerings, as of August 2

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT(Cont'd)</u>			
Southern Illinois University	Rev.-Rent	11.3	August 13
Public Housing Auth.	--	116.2	August 14
Alexandria, La.	Rev.-Ut.	11.4	August 20
*Fulton County, Georgia	G.O.	16.0	August 21
*Lewisport, Kentucky	Rev.-Rent	50.0	September
Pittsburgh, Pa.	G.O.	35.0	Indefinite
Jefferson County, Colorado	G.O.	12.9	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth., Fla.	Rev.-Ut.	40.0	Indefinite
<u>OTHER</u>			
None			

\*--Included in table for first time.

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues of Federal agencies.

Note.--Deletions for reasons other than sale of issue: None.

Foreign Government and Corporate Security Offerings  
and Placements in the United States

Part I: Public Offerings

Sale Date	Amount (millions of dollars)	Issuer and Description of Issue
A. Sold May 1 through August 2		
5/1	27.5	Government of Japan--5-1/2% bonds, due 1980--reoffered to yield 5.71%
5/22	15.0	Copenhagen, Denmark--5-3/8% bonds, due 1978--reoffered to yield 5.55%
6/12	10.0	Oslo, Norway--5-1/4% bonds, due 1978--reoffered to yield 5.47%
7/10	20.0	Milan, Italy--5-1/2% bonds, due 1978--reoffered to yield 5.63%
7/10	20.9	Hitachi, Ltd.--Common stock
7/17	25.0	United Mexican States--6-3/4% sinking fund bonds, due 1978--reoffered to yield 7.00%
7/17	15.0	United Mexican States--6% bonds due 1966-68--reoffered to yield 6.00%
*8/1	20.0	Nippon Telephone & Telegraph Public Corporation--5-3/4% guaranteed sinking fund bonds due 1978--reoffered to yield 6.08%
*8/2	7.3	Tokio Marine and Fire Insurance Co.--common stock.

B. Prospective Offerings

None

## Part II: Private Placements--Reported May 1 through August 2

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
5/1	50.0	Bell Telephone Company of Canada--4-7/8% first mortgage bonds, maturing 1988--no information available on takedown
5/2	10.0	Laurentide Financial Corp.--5% senior notes, maturing 1978--no information available on takedown
5/6	20.0	Province of Ontario--4% debentures, maturing 1966-69--no information available on takedown
5/14	16.3	Delta Acceptance Corp., Ltd.--notes, maturing 1975--no information available on takedown
6/4	18.0	Consolidated Gold Fields of South Africa, Ltd.--promissory notes, maturing 1971--no information available on takedown
6/13	15.0	Nippon Express Co.--6-1/2% convertible debentures, maturing 1978--no information available on takedown
6/20	13.5	Mitsubishi Electric Corp.--6-1/2% convertible debentures, maturing 1978--no information available on takedown.
6/25	12.5	Quebec Natural Gas Corp.--5-1/2% first mortgage bonds, maturing 1987--no information available on takedown.
6/28	10.0	Farbwerke Hoechst A.G.--5% promissory notes, maturing 1968--no information available on takedown.
6/28	5.0	Dai Nippon Printing Co. Ltd.--convertible debentures, maturing 1978--no information available on takedown.
7/18	26.0	Pacific Telephone Ltd.--5-1/2% convertible notes, maturing 1978--no information available on takedown.
7/18	4.0	Copenhagen County Auth., Denmark--5-1/2% external notes, maturing 1968--no information available on takedown.

Note: For retrospective data on aggregate foreign corporate and government security offerings in the United States see Exhibits I and J. There is no simple relationship between the data shown in this Exhibit and that shown in Exhibits I and J because the latter includes privately placed securities in the period in which funds are actually taken down but only in the amount of takedown, while the placements shown in this exhibit are included when reported, frequently with little or no information concerning timing of takedowns. Full or partial takedowns may take place both prior and subsequent to the date a placement is reported. \*--Included in table for first time.